

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7373**

**BILL NUMBER:** HB 1472

**NOTE PREPARED:** Jan 11, 2013

**BILL AMENDED:**

**SUBJECT:** Jackson County Adjusted Gross Income Tax.

**FIRST AUTHOR:** Rep. Lucas

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill extends the period during which Jackson County may impose the county adjusted gross income tax (CAGIT) at a rate of 1.1% to obtain additional revenue for the operation and maintenance of a jail and juvenile detention center until December 31, 2023. (The current law terminated the period during which the 1.1% CAGIT rate may be imposed in Jackson County on July 1, 2011.)

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** *Department of State Revenue (DOR):* The DOR will incur additional expenses to revise forms, update instructions, and modify software programs. Their current level of staff and resources should be sufficient to implement the provisions of the bill.

*State Budget Agency (SBA):* The bill's requirements are within the SBA's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** This bill allows Jackson County to impose a CAGIT rate of 1.1% instead of 1% beginning in CY 2014 to provide revenue for the operations and maintenance of correctional facilities. Jackson County officials would still have to follow the procedures necessary to increase the CAGIT rate from

the current 1% to 1.1%. Assuming Jackson County adopts the necessary ordinance to increase the LOIT rate before October 1, 2013, the rate could go into effect for CY 2014. Depending on the ordinance adopted, the rate could be in effect until January 1, 2024.

An additional 0.1% CAGIT rate in Jackson county is estimated to generate about \$750,000 in revenue in CY 2014 and \$770,000 in CY 2015.

**State Agencies Affected:** Department of State Revenue, State Budget Agency.

**Local Agencies Affected:** Jackson County.

**Information Sources:** LSA, *LOIT Distributions Amounts at a 1% Rate*, November 1, 2012.

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